GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

STARRED QUESTION NO:186
ANSWERED ON:26.07.2002
WASTEFUL EXPENDITURE ON RENT
VSM (RETD.) COL. CHOUDHARY

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it was decided in October 1995 to reduce the staff strength in erstwhile India Trade Centreat Brussels and merge its reduced strength with commerce wing of our Embassy there;

(b) if so, the date on which reduction of staff was implemented and the remaining staff merged with the Commerce Wing of our Embassy in Brussels;

(c) whether our Mission continued the lease of the Centre, un-utilised, during June, 1997 to December, 2000;

(d) if so, the reasons therefor and the persons responsible for incurring avoidable loss to the Exchequer by paying rent; and

(e) the preventive / remedial measures taken / being taken by the Government to avoid such losses in future?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO.186 FOR ANS ON 26.7.2002 REGARDING WASTEFUL EXPENDITURE ON RENT.

(a) Yes, Sir.

(b) In May 1996 the reduction of staff was implemented and the remaining staff was merged with the Commercial Wing of Embassy of India, Brussels.

(c) to (e): The India Trade Centre (ITC) was located in a building about 2 km away from the main chancery building.The lease for the accommodation was signed in June 1991 for nine years. In July, 1996, after the merger of ITC with the Commercial Wing, with a view to effect savings on rentals, the Mission proposed to the Ministry to re-locate the officials of the ITC in the main chancery building by construction of additional office space and alteration of the existing chancery building, as the office space available in the main chancery was not enough to accommodate the additional staff.

The Embassy worked on the project of construction of additional space, but because of exceedingly slow and complicated procedures to apply for and obtain approval of the local authorities and selection of construction companies through competitive bids, the construction was finally completed only in June, 2001 and till such time continued hiring of ITC building was inevitable.